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TAGS: PREL PGOV PO

SUBJECT: PORTUGUESE SOCIALISTS RATIFY CONTINUED SOCRATES

LEADERSHIP

REF: LISBON 0088

Classified By: Gary B. Applegarth, Pol-Econ Officer, Reasons 1.4 (b) and (d).

11. (C) SUMMARY. Portugal's ruling Socialist Party was fully behind party Secretary General (and current Prime Minister) Jose Socrates during the February 27-March 1 party convention. Socrates used the occasion, which was particularly harmonious due to the absence of combative PS leftist Manuel Alegre, to promote Socialist programs to combat the effects of the global financial crisis and increase Portuguese competitiveness. The Socialists are poised to do well in three rounds of elections later this year. END SUMMARY.

## SOCRATES DISMISSES OPPOSITION, PROMOTES PS PROGRAM

12. (C) The Socialist Party (PS) convention held in the town of Espinho February 27-March 1 was a convincing show of support for PS Secretary General (and current Prime Minister) Jose Socrates. Socrates came to the convention riding a wave of party support, having been reaffirmed as PS leader in an internal election two weeks ago with 96 percent of votes cast by party faithful. Dismissing the major opposition Social Democrats (PSD) as a party "without proposals", Socrates used the convention as a platform for promoting PS programs to combat the effects of the global financial crisis through a sound financial system, stimulative public investment, and protection for businesses, workers, and families. Socrates also announced PS initiatives to extend compulsory education from nine to twelve years and to "eliminate discrimination" against same-sex marriage.

## FREEPORT? WHAT'S THAT?

13. (C) Portuguese and British authorities continue to investigate Socrates' alleged influence peddling regarding the Freeport shopping mall development (reftel), but the charges have had no traction within the PS. "Freeport" was never specifically mentioned throughout the convention, and Socrates instead decried the "black campaigns" waged against him and pledged to run in support of "ethics" and to "fight for decency and democracy."

## ALEGRESAURUS ABSENTUS

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14. (C/NOFORN) PS leftist dinosaur Manuel Alegre skipped the convention, ostensibly in favor of a hunting trip. In his absence, there was little opposition to Socrates and his centrists. Every issue taken up by the convention passed by a large majority. Alegre, a Socialist since his return from exile after the 1974 revolution, is among the most left-leaning members of the PS and has been an outspoken critic of PM Socrates since his own failed bid for party leadership in 2004. In 2005, after failing to capture the PS nomination for president, Alegre ran as an independent and collected over 20 percent of the vote, second only to winner Cavaco Silva of the PSD.

15. (C/NOFORN) Although Alegre's absence contributed to the harmony of this week's convention, keeping him in the PS fold remains a party priority and PS speakers noticeably avoided offending him in their remarks.

## COMMENT

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16. (C) The PS convention was an important ritual for the PS and the political media, though perhaps not for the public at large. Little was displayed beyond strong PS support for PM Socrates, and his comments on the PS agenda lacked sufficient detail to form a persuasive argument for undecided voters. However, barring substantial new revelations about the Freeport scandal or PS missteps, the Socialists appear well-positioned to maintain their parliamentary majority following the upcoming elections. The only marginally controversial item was gay marriage, which the PS tried to defuse by referring to it as an end to discrimination. Like divorce and abortion in the past, this issue creates a tension between Portugal's modern European mores and its strong Catholic roots, and we expect the right-of-center PSD will use the issue to appeal to Portuguese conservative traditions. End comment.

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